



P. O. BOX 248, 1186 LOWER RIVER ROAD, NW, CHARLESTON, TN 37310-0248

(423) 336-4000 FAX: (423) 336-4166

May 2, 2005

Marleigh Wood  
Staff Counsel  
State Water Resources Control Board  
1001 I Street, 22<sup>nd</sup> Floor  
Sacramento, CA 95814

Dear Ms. Wood:

Attached please find Olin's Proposed Replacement Water Monitoring Program. Olin and the Central Coast Water Board have agreed to the monitoring requirements outlined in the attached proposal and jointly request the State Board to adopt and incorporate these mutually agreeable replacement water-monitoring requirements into its Order.

If you have any questions, please call me at 423-336-4007.

Sincerely,  
OLIN CORPORATION

Curt M. Richards,  
V.P. Environment, Health & Safety

Cc: Richard McClure

**In the Matter of the Petitions of Olin Corporation and Standard Fusee Corporation  
for CAO No. R3-2004-0101  
SWRCB/OCC File A-1654 and A-1654(a) (Consolidated)**

**PROPOSED REPLACEMENT WATER MONITORING PROGRAM**

- Olin and the Central Coast Water Board jointly request that the State Water Board not address monitoring requirements in the State Water Board Draft Order. In that case the replacement water monitoring requirements will be subject to the agreement described below. If monitoring requirements are addressed in the State Water Board Order, Olin and the Central Coast Water Board have agreed to the monitoring requirements outlined below and jointly request the State Board to adopt and incorporate these mutually agreeable replacement water-monitoring requirements into its Order.
- The parties' agreement to this replacement water monitoring program is premised on the State Water Board's indicated intent to require deference in its Order to the California Office of Environmental Health Hazard Assessment and Department of Health Services and their drinking water goals and standards and, thus, to set the Replacement Water Trigger level applicable herein at the California perchlorate drinking water public health goal and notification level (currently 6 ppb), subject to future consideration by the Central Coast Water Board of any new drinking water goals or standards issued by these agencies. This agreement shall have no effect if the State Water Board adopts an order which requires a Replacement Water Trigger Level more stringent than, or requires replacement water except as provided in the monitoring program at a level below, the public health goal and notification level (currently 6 ppb) or if State Water Board Order WQ-2005-xxxx is superceded by statute.
- The monitoring requirements listed below are for drinking water replacement supply only and do not preclude the Central Coast Water Board from requiring monitoring of any well (i) as part of a cleanup investigation or cleanup monitoring, or (ii) to determine whether any domestic well is to be provided replacement water or to be included in the replacement water monitoring program. Sampling of agricultural or industrial wells is also not subject to this agreement.
- The Executive Officer or Central Coast Water Board may amend the following sampling requirements at any time (i) as a result of changes in applicable law, or (ii) should new data, groundwater characterization or other information indicate a revision is needed.
- Olin may also request a revision of the Replacement Water Trigger level or the following sampling requirements at any time based on data or other information, including but not limited to a change in the California perchlorate Public Health Goal and Notification Level or the setting of state or federal maximum contaminant levels, approval of which requires Executive Officer concurrence.
- The Replacement Water Trigger Level shall be in accordance with State Water Board Order WQ 2005-xxxx [regarding Cleanup or Abatement Order No. R3-2004-0101]. If the Replacement Water Trigger Level changes for any reason consistent with State Water Board Order WQ-2005-xxxx, the monitoring triggers set forth herein will also be changed accordingly. The Executive Officer or Central Coast Water

Board may revise the subject Cleanup and Abatement Order and monitoring and reporting plan in a manner consistent with State Water Board Order WQ-2005-xxxx without need to amend the State Water Board Order. Any amendment by the Executive Officer or Central Coast Water Board will be subject to review pursuant to Water Code Section 13320.

- Whenever Executive Officer concurrence is required under this monitoring program, the Executive Officer will take formal action on any such Olin request within 30 days of such request (unless time is otherwise extended by the parties' agreement). If the Executive Officer fails to take formal action within such time, Executive Officer concurrence will be deemed granted, until such time as the Executive Officer denies the request in a formal written action subject to State Board review.

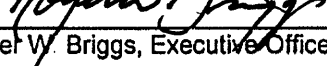
| Range                                                                                                                                                       | Monitoring Approach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ≥6.0 ppb                                                                                                                                                    | Olin shall supply interim alternative water to all users of all wells testing at or greater than the 6.0 ppb trigger level <sup>1</sup> in the last 12 months regardless of past results. Olin may stop supplying interim alternative water upon the Regional Board Executive Officer's concurrence that long-term alternative water service has been provided to individual well owners or there have been four consecutive quarters of < 6.0 ppb.                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 5.0 to < 6.0 ppb                                                                                                                                            | Olin will sample bimonthly. After four data points, Olin shall evaluate the data using the Mann-Kendall variability analysis <sup>2</sup> . If there is no trend (NT) or if the concentration trend is increasing (I) or probably increasing (PI), Olin shall continue to sample on a bimonthly basis. If the trend is stable (S), decreasing (D) or probably decreasing (PD), then Olin will sample at least twice per year for one year (monitoring should occur during wet and dry seasons or during periods of maximum concentration changes as determined by the Mann-Kendall trend analysis). If trend is still stable (S), decreasing (D) or probably decreasing (PD), Olin will sample once in the next year. If that concentration is < 6.0 and trend remains stable (S), decreasing (D) or probably decreasing (PD), Olin may stop sampling with Executive Officer concurrence. |
| 4.0 to <5.0                                                                                                                                                 | Olin will sample at least twice per year (monitoring should occur during wet and dry seasons or during presumed periods of maximum concentration changes). After four data points, Olin shall evaluate the data using the Mann-Kendall variability analysis. If there is no trend (NT) or if the concentration trend is increasing (I) or probably increasing (PI), Olin shall continue to sample on a semiannual basis, or bimonthly if the concentration exceeds 5.0. If the trend is stable (S), decreasing (D) or probably decreasing (PD), then Olin will sample once in the next year. If that concentration is < 5.0 and the trend is stable (S), decreasing (D) or probably decreasing (PD), Olin may stop sampling with Executive Officer concurrence.                                                                                                                           |
| < 4.0 wells (other than wells that were previously in the sampling programs in the above two ranges) within 500 feet of wells that have had a 6 ppb result. | Olin shall sample semiannually for one year. If the perchlorate concentrations remain less than 4 ppb, then Olin shall sample once in the next year. If that concentration is less than 4 ppb, Olin may stop monitoring with Executive Officer concurrence.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

<sup>1</sup> The trigger and ranges will be adjusted to correspond to any future changes in the Replacement Water Trigger Level as governed by State Board Order No. WQ-2005-xxxx.

<sup>2</sup> Olin shall submit the proposed statistical analysis for review and approval by Regional Board Staff.

The Effective Date of this monitoring agreement is April 27, 2005.

Regional Water Quality Control Board, Central Coast Region

By:   
Roger W. Briggs, Executive Officer

Date: 5-2-05

Olin Corporation,

By:   
Curt Richards, Vice President

Date: 5-1-05